



SMALL TOWN, BIG BEACH™

Date: January 7, 2020

To: Mayor and City Council

From: Scott B. Fuller, Airport Manager

A handwritten signature in black ink, appearing to read "Scott B. Fuller", written over a horizontal line.

Subject: Ratify and Confirm Lease Agreement between the Airport Authority and Allen Air, LLC.

Background: Allen Air, LLC proposes to lease a 0.72 acre parcel of land located in the southwest corporate aircraft storage site in order to construct a hangar facility (individual aircraft storage unit) of 11,200 square feet. Allen Air, LLC is wholly owned by Gary West, a long time tenant and commercial developer. Site is located south of the existing terminal. Rate is at \$0.24 per square foot per year for an annual rent to \$7,527.00, escalated every five years by CPI or 3% per year compounded annually. Rent is effective on date of approval and tenant has prepaid \$10,000 as part of his proposal. Lease term is 40 years. Allen Air has 90 days to submit construction plans for approval, six months after approval to start construction, and 24 months after approval to complete construction of new facilities. There is no City or Authority financial obligation required by the adoption of this agreement.

Recommendation: Approval of the attached resolution ratifying and confirming the Lease Agreement with Allen Air, LLC Lease dated November 25, 2019

Previous Council Action: None

Budget Implications: Airport Revenues will increase in by \$7,527.00 annually. City expense - \$0.00; Authority expense is \$0.00.

Related Issues: None

Attachments: Resolution 760-19, site photos.

RESOLUTION NO. 760-19

COPY

A RESOLUTION AUTHORIZING AND
DIRECTING THE CHAIRMAN AND
SECRETARY TO EXECUTE AND ATTEST,
RESPECTIVELY, A LAND LEASE BETWEEN THE AIRPORT
AUTHORITY OF THE CITY OF GULF SHORES AND
ALLEN AIR, LLC. OF 25,200 SQ. FT.
FOR THE CONSTRUCTION AND OPERATION OF A
CORPORATE AIRCRAFT STORAGE FACILITY

BE IT RESOLVED BY THE AIRPORT AUTHORITY OF THE CITY OF
GULF SHORES, ALABAMA, WHILE IN REGULAR SESSION ON NOVEMBER 25,
2019, as follows:

Section 1. That the Chairman and Secretary be and they are hereby authorized and directed to execute and attest, respectively, a land lease between the Airport Authority of the City of Gulf Shores and Allen Air, LLC. of 25,200 sq. ft. for the construction and operation of a corporate aircraft storage facility.

Section 2. That this Resolution shall become effective upon its adoption.

ADOPTED this 25th day of November, 2019.


CHAIRMAN

ATTEST:


SECRETARY

